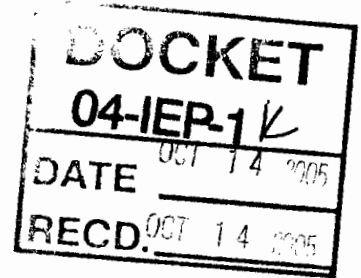


STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION



)	Docket No. 04-IEP-1K
In the Matter of:)	2005 Energy Report:
The Preparation of the)	
)	Committee Draft
2005 Integrated Energy Policy Report)	Document Hearings

COMMENTS OF THE
CALIFORNIA WIND COMPANIES

Pursuant to the Notice of Committee Hearings and Availability of the 2005 Committee Draft Energy Report, the California Wind Companies¹ hereby submits its written comments ("Comments") on the Committee Draft of the 2005 Integrated Energy Policy Report ("Draft IEPR") to supplement the oral comments made at the Committee hearing on October 6, 2005. The California Wind Companies appreciate the Committee's efforts to allow all stakeholders an opportunity to be heard regarding a wide range of issues pertaining to California energy policy. Generally, we endorse the Committee Draft IEPR's renewable energy policy positions with respect to wind generation as set forth in Chapter 6. In particular, we support the positions on the subjects of *Repowering Wind Resources and Reducing Bird Deaths* (pp. 101-103). As stated in our *Reply Comments*,² we look forward to working collaboratively with the California Energy Commission ("Commission") and its staff, and consultants, to develop an open and transparent process that balances California's energy policy of maximizing

¹ The California Wind Companies are renewable wind energy generators and marketers: Altamont Infrastructure Company, Green Ridge Power Company, Global Renewable Energy Partners, Altamont Winds, Inc., enXco, Inc., PPM Energy, Inc. and SeaWest Power Resources, LLC.

² Reply Comments of California Wind Companies on the Committee Workshop of June 27-28, 2005, filed July 29, 2005 in Docket No. 04-IEP-1G at this Commission.

renewable energy from wind turbines with the need to achieve reductions in avian mortality.

General Comments

The California Wind Companies support the Draft IEPR's discussion in Chapter 6 of renewable policies with emphasis on: (1) renewable transmission; (2) integration of renewables to the grid and (3) introduction of a tradeable Renewable Energy Credit market into California. Without attention to the infrastructure and market requirements of renewables, including the unique aspects of wind, California's targets for renewables will not be met.

Specific Comments on "Repowering Wind Resources and Reducing Bird Deaths"

p. 102 Proper Use of Commission-sponsored Research

The California Wind Companies support the Draft IEPR language developed by the Committee which warns of the misuse or misapplication of existing Commission avian mortality research by the Commission PIER staff and consultants.³ In the first application of this policy, the role of Commission-sponsored research will be determined by a local jurisdiction in the Altamont Pass Wind Resource Area ("APWRA").

³ See e.g., p. 102, "The scientific value of ongoing Energy Commission research into avian mortality prevention should not be jeopardized by misapplication of what are essentially experimental results."

On September 22, 2005⁴, the Alameda County Board of Supervisors approved permits for the existing wind projects in the APWRA with conditions related to modifying the operations of the existing turbines to achieving reductions in avian mortality.⁵ A critical innovation of these permits is the establishment of a Scientific Review Committee, comprised of a panel of technical experts representing all facets of the stakeholder interests: the wind companies, the environmental community, state and federal agencies, and the County. According to the permits, “The SRC shall serve as a balanced and independent panel of technical experts with appropriate scientific knowledge of and experience with avian safety and wind energy issues.”⁶ As part of this process, we anticipate that a variety of scientific inputs, including those of this Commission, will be utilized to evaluate the impact of the various wildlife management measures imposed by Alameda County. As time passes, information from a multitude of sources will be gathered and assessed as the basis to establish wildlife management measures that allow the maximum amount of renewable wind power to be generated while at the same time achieve reductions in avian mortality. As the Draft IEPR correctly concludes on p.102, the Commission’s August 2004 research⁷ “...should not be misused to form the sole basis for such mitigation measures”.

p. 102 Repowering Wind Facilities

In the discussion of repowering, there is a statement that only 37 MW of repowered wind contracts have been submitted by SCE. In fact, PG&E now has the 18

⁴ As of this date, it is not known whether appeals will be filed on these permits. These Comments assume that the permit conditions will stand.

⁵ The final language of the permit conditions is scheduled to be released in the near future.

⁶ See Attachment B to Alameda County proposed permit conditions, Paragraph 5.

⁷ Developing Methods to Reduce Bird Mortality in the Altamont Pass wind Resource Area, (August 2004)

MW Diablo Winds repowering project operational in the APWRA. Further, PG&E has submitted repowering wind contracts for approval of the Buena Vista site for 38 MWs in Contra Costa County. Solano County has approved repowering of 9 MW, the enXco V project, for which PG&E contract revisions are not required. We suggest that these projects be added to the language on repowering. Additionally, the text should be corrected to read:

Repowering efforts in the Altamont area have been hindered by a number of factors, including, a moratorium placed on increasing the installed capacity base above the current cap of about 580 MW or building outside the current land area repowered wind development by Alameda County in 1998 without a new EIR. The county will not approve additional permit applications to increase electricity production above the current cap of about 580 MW. The recent neither Alameda County nor the wind industry permitting decision sets forth a schedule for repowering all projects within its jurisdiction over the next 13 years. However, the efforts of local permitting authorities cannot succeed unless these authorities are supported by complimentary actions by others that provide financeable power contracts and eliminate litigation threats that deter investor interest. ; both are focused instead on renewing existing permits, with a proposed conditions that repowering would occur over 13 years.

To remove existing impediments to repowering, all stakeholders, including turbine owners, utilities, state and local jurisdictional authorities, and the public at large, must recognize the potential of repowering to harness prime wind resources more efficiently and mitigate or prevent bird deaths.

Protocols should be established to address such issues as suitable contract terms that recognize the existing obligations, environmental assessments that balance the wildlife impacts and system benefits of wind generation, and the creation of an investment climate attractive enough for undertaking such a significant capital expenditure.

p. 103 Recommendations to Mitigate Avian Mortality

Standard Offer contracts represent a viable means of overcoming the barriers to rapid repowering. However, new projects may not have Qualifying Facility (“QF”) status. Changes under the 2005 Energy Act may eliminate the requirements for QF status, especially the ownership requirements. Under the CPUC’s RPS requirements, facilities do not need to be QFs. We suggest that the language be changed to allow all types of investment structures for wind projects. The pertinent sentence should read:

The Energy Commission also recommends that the CPUC quickly develop new ~~Qualifying Facility~~ contracts **and protocols designed for existing wind projects** to overcome impediments to repowering and take advantage of the Federal Production Tax Credit.

Final Comments

Please add the California Wind Companies to the list of participants.

We look forward to working with the Commission and its staff to successfully implement the Draft IEPR policies. Please contact Diane Fellman at (415)703-6000 or email her at diane_fellman@fpl.com if you have any questions.

Dated: October 14, 2005